

COUNTY OF SAN DIEGO, CALIFORNIA
BOARD OF SUPERVISORS POLICY

Subject

Expenditure of Tobacco Settlement Revenue in San Diego County

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Purpose

It is the purpose of this policy to establish guidelines for the allocation of anticipated Tobacco Settlement revenue.

Background

On November 16, 1998, the attorneys general of eight states (including California) and the nation's four major tobacco companies agreed to settle numerous lawsuits brought by states against the tobacco industry. The agreement will result in significant, though varying, levels of new revenues for San Diego County. It is anticipated that funds will become available after June 30, 2000, and will continue through the year 2025.

The County of San Diego will receive approximately \$945 million. This amount may be subject to reductions, based on actions of a court of jurisdiction, federal or state governments or the tobacco industry. On February 16, 1999, the Board of Supervisors recognized the opportunity this new funding would provide to reduce tobacco-related illness and deaths, and to improve the health and well-being of all people county-wide. The Board of Supervisors directed that a trust fund be established to receive Tobacco Settlement revenues and to develop a healthcare-based policy to guide the allocation of the revenues.

Policy

It is the policy of the Board of Supervisors to use Tobacco Settlement revenues for healthcare-based programs in a manner deemed appropriate by the Board of Supervisors. Funds shall be allocated using the following guidelines:

1. Support a comprehensive tobacco control strategy that will significantly reduce tobacco use among youth and adults. Programs may include, but not be limited to, those that address cessation of tobacco use, support of tobacco control laws, and prevention and health promotion activities that encourage a tobacco-free lifestyle.
2. Increase funding for programs that:
 - Promote access and reduce barriers to assure quality healthcare
 - Promote healthy lifestyles through prevention and education
 - Reduce the abuse of alcohol, tobacco and other addictive substances
 - Improve mental health services
 - Significantly reduce violence and abuse
 - Reduce the incidence of chronic and infectious diseases

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- Improve the health status indicators of vulnerable populations
 - Minimize disparities in health status
3. Support programs that leverage funding from other sources.
4. Use funds to supplement and not replace existing healthcare revenue.
5. Programs and services shall demonstrate effectiveness through evaluation of outcomes.
- Programs shall incorporate "best practices" that have been proven to be cost-effective and efficient.
 - Innovative programs may be funded, providing there are plans for evaluation of outcomes.
6. A portion of the Tobacco Settlement Trust Fund will be reserved annually in an interest-bearing account to ensure funding will be available beyond the established twenty-five years of the settlement.

This policy has been developed and recommended by the following organizations:
American Cancer Society, American Heart Association, American Lung Association,
Alcohol & Drug Advisory Board, Aging and Independence Services Advisory Council,
Community Health Improvement Partners, Health Services Advisory Board, Healthy San
Diego, HIV Planning Council, Mental Health Board, Tobacco Control Coalition

Sunset Date

This policy will be reviewed for continuance by June 6, 2006.

Board Action

6/29/99 (27)

CAO Reference

Health and Human Services Agency